



THE CITY OF SAN DIEGO
CITIZENS REVENUE REVIEW AND ECONOMIC COMPETITIVENESS COMMISSION

MEMORANDUM

DATE: June 1, 2010
TO: Julie Dubick, Director of Policy, Office of the Mayor
FROM: Bob Nelson, Chair *Bob Nelson*
SUBJECT: Competitiveness Suggestions

Pursuant to Council Resolution R-305324 creating our Commission, we have been gathering suggestions on how the City might best encourage businesses to select, remain, or expand economic activity in the city. A list of these suggestions is listed below. We have requested that advocates of these suggestions provide more actionable information, particularly in the area of development services. As these details become available to us, we will pass them on to you.

To help us focus the discussion of these issues, we request that the Administration provide us with reactions to these various ideas. The status of items in process, any reports, memos, or factual information that you believe would assist our deliberations, and to the extent appropriate, the Mayor's views on these will be most gratefully appreciated. If possible, we would appreciate this information by the end of June to help us discuss these items in public meetings around the city in June and July. We hope to formulate our recommendations regarding these matters by the end of September.

Finally, if your office has additional items you believe we should consider to improve economic competitiveness, we solicit any input you may have. Thanks, as always, for your continued cooperation with our efforts.

**SUGGESTIONS PRESENTED TO CRRECC FOR IMPROVING
ECONOMIC COMPETITIVENESS IN SAN DIEGO**

Fiscal Reforms

- (1) Contract with private entities to manage the City's airports, golf courses, and landfill with no city workers. The private entity would pay the city for the use of the property then operate the facilities. Proponents of this plan assert that the revenue from such transactions would become general fund revenue; that these funds would not be required to stay in an enterprise fund.

Development Services Reforms

- (2) Complete implementation of the Business Process Reengineering recommendations for the City's various departments.

- (3) Preserve and implement the CCDC model for other redevelopment areas of the city and all areas identified as *"smart growth"* infill areas.
- (4) Institute more accountability and certainty in the fee system.
- (5) Move various disciplines (fire, sewer, water, storm water, parks and planning review) back under the Development Services Department (DSD) and moving field engineering into DSD to eliminate these interdepartmental inefficiencies.
- (6) Reduce the number of reviewers and the number of reviews per project.
- (7) Expand self-certification.
- (8) Implementing a complete "cradle to permit" project management model with a single project manager having control and authority of the project schedule and process from start to finish, including over reviews by outside departments.
- (9) Provide regulatory incentives and expedited processing for economic development projects, green sustainable projects, Transit-Oriented Development (TOD) projects, mixed use projects, and affordable housing projects.
- (10) Adopt Program EIR's and zoning for updated community plans and examine the feasibility of adopting a Program EIR for high priority economic development, infill, TOD, and sustainable development projects to reduce the time and risk associated with developing these projects. Implement an ordinance to make the City's Development Impact Fee Deferral Program permanent and expand the program to include sewer and water capacity fees and the inclusionary housing in lieu fee.
- (11) The collection of all impact fees should be deferred to the certificate of occupancy, final inspection or close of escrow to minimize the financing cost of fees on new projects.
- (12) Revise the City's parking standards for new residential projects to allow tandem parking by-right city-wide, shared parking and public parking alternatives and reduce parking requirements for projects that are accessible by high frequency transit.
- (13) Maintain and increase planned densities and implement urban zoning standards as part of updating community plans to ensure that planned densities can be achieved.
- (14) Implement comprehensive regulatory and fee reform measures that substantially reduce the time, cost and risk associated with entitling new projects.
- (15) City forms, permit applications, fee payments, etc. should be automated on an interactive website that is available to users 24/7.
- (16) Development Services should create a more expedited Historic Review process for specific projects that do not change the historic character (value or nature) of a building.

Tourism Promotion

- (17) Renew/extend the term of the Tourism Marketing District.

Small Business Assistance

- (18) Implement a Business Tax Amnesty program similar to the amnesty proposal previously suggested by the Small Business Advisory Board as outlined in the April 9, 2009 letter submitted to Councilmember Carl DeMaio.

Quality of Life/Workforce Development

- (19) Maintain public safety services, streets and highways, parks, libraries, beaches, bays, and other community amenities in a manner that continues to attract high skill workers who will bring their careers and their families to San Diego.
- (20) Reducing water pollution by significantly improving storm water runoff programs to protect and improve water quality in bays and at beaches, requiring a new revenue stream to achieve or exceed State and Federal water quality goals.
- (21) Develop a broad-based infrastructure financing strategy to support job growth and new housing supply.
- (22) Campaign for the passage of a city or regional infrastructure bond measure that would finance key sewer, water, road, storm water, park and public facility infrastructure projects and be structured around a detailed public facilities financing plan modeled after the Proposition MM measure approved by the voters several years ago.
- (23) Create a Parks Master Plan that provides a certain and consistent methodology for new development projects to use park equivalencies (enhancing existing parks, providing additional recreation space within projects) to satisfy population-based park requirements in communities which lack available landform parks.
- (24) In concert with the San Diego Unified School District and San Diego Community College District and city employee unions, should develop and implement a specific work plan to create greater synergy between our municipal employees and our educational partners to create a more qualified workforce. The goal is not to save money; the goal is to help young people learn work skills, develop an ethic for teamwork, and develop a basis for technical proficiencies.
- (25) Replace Linkage Fees with a more robust and dependable source for funding of affordable housing opportunities, both for renters and entry-level homebuyers.

cc: CRRECC Commissioners
Honorable Members of the City Council
Interested Parties